

State of South Dakota

SEVENTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 1999

912C0547

HOUSE CONCURRENT RESOLUTION NO. 1006

Introduced by: Representatives Nachtigal, Cerny, Chicoine, Hanson, Lintz, Lockner, Michels, Putnam, Volesky, Waltman, and Wetz and Senators Kloucek, Benson, Dennert, Drake, Frederick, and Kleven

1 A CONCURRENT RESOLUTION, Urging mandatory reporting of all packer livestock
2 transactions.

3 WHEREAS, the livestock producers of this nation face unprecedented challenges to their
4 ability to earn their livelihood; and

5 WHEREAS, many of the difficulties that livestock producers face are the result of potentially
6 unfair pricing and marketing practices, as well as an ever-increasing degree of concentration and
7 vertical integration in the livestock and meat packing industries by large-scale meat packing
8 conglomerates; and

9 WHEREAS, one particularly troublesome and inequitable practice that works to the
10 disadvantage of livestock producers is the failure to report certain livestock transactions and
11 prices; and

12 WHEREAS, the practice by meat packers of purchasing certain livestock at higher prices on
13 the condition that the the price not be disclosed results in artificially low market prices for all
14 other livestock purchases; and

15 WHEREAS, the practice of nonreporting of price as a condition of the purchase or sale of

1 livestock results in inaccurate and incomplete price information for all livestock buyers and
2 sellers; and

3 WHEREAS, a price discovery mechanism in the livestock and packing industry is essential
4 to establish price equity between independent producers, contract producers and between
5 regions:

6 NOW, THEREFORE, BE IT RESOLVED, by the House of Representatives of the Seventy-
7 fourth Legislature of the State of South Dakota, the Senate concurring therein, that the South
8 Dakota Legislature strongly urges full and complete enforcement of the federal Packers and
9 Stockyards Act; and

10 BE IT FURTHER RESOLVED, that mandatory price reporting mechanisms are needed to
11 ensure that all livestock contracts, nonnegotiated sales, internal transfers, and market prices paid
12 by packers for livestock, including both beef and hogs, are reported to the U.S. Department of
13 Agriculture so that all livestock buyers and sellers are aware of the conditions under which fair
14 prices can be negotiated.